

## THE VALLES CALDERA TRUST

*Congress gave the trust certain instructions for the use and stewardship of the preserve*

### A BRIEF HISTORY OF THE VALLES CALDERA TRUST

Congress passed the Valles Caldera Preservation Act and sent it to the White House for the president's signature on July 14, 2000. President Bill Clinton, who took a strong personal interest in the acquisition of the caldera, signed the bill at Camp David on July 25. A copy of the act is incorporated in this framework as Appendix A. The act authorized federal purchase of Baca Location No. 1 and, after providing for separate disposition of parts of the property, designated the balance of the new acquisition the Valles Caldera National Preserve. The act also established the Valles Caldera Trust as the eventual manager of the preserve.

With lightning speed, the purchase of the property was accomplished on the day the president signed the bill, providing authorization for the purchase to go forward. The sellers were the heirs of James P. (Pat) Dunigan, who bought the

property in 1962 and died in 1980, even as he was negotiating sale of the property to the United States. In a very real sense, the successful sale of the property by Dunigan's heirs to the United States in 2000 may be seen as the fulfillment of the negotiations that were tragically terminated in 1980.

One of the special dispositions addressed in the bill authorized the government to assign to Santa Clara Pueblo the right to purchase 5,046 acres at the headwaters of Santa Clara Creek in the northeast corner of the property. Using funds provided by a private foundation, Santa Clara completed this transaction simultaneously with the government's purchase of the rest of the Baca Location on July 25, a day that the pueblo subsequently designated an annual feast day, so important was the achievement of securing ownership of the Santa Clara headwaters. Santa Clara and the United States also subsequently carried out a reciprocal exchange of

conservation easements along their common boundary at the northeast corner of the preserve. These easements guarantee that no inappropriate development will occur along the part of the caldera rim that defines the boundary.

Another provision of the act provided for a few hundred acres of Baca Location land at the headwaters of Capulin Canyon to be incorporated into Bandelier National Monument, which adjoins the preserve at its southeast corner. Like the Santa Clara headwaters, the lands transferred to Bandelier lie outside the rim of the caldera and drain not into the Rio Jemez watershed (as does virtually all the rest of the preserve), but eastward to the Rio Grande. These two adjustments resulted in the present boundaries of the Valles Caldera National Preserve, which comprises approximately 89,000 acres.

The act instructed the U.S. Forest Service (USFS) to manage the preserve until the trust had developed sufficient capability to assume management responsibility. It further specified that the land of the preserve would be included as a unit of the National Forest System, but it made an interesting and very meaningful distinction: the Valles Caldera Trust, which was to manage the land, would be in essence autonomous and in many ways unconstrained by standard methods

of the Forest Service. It was to be a new kind of administrative structure, freestanding, entrepreneurial, and innovative in its approach. Limited precedent existed for such an entity. The two closest examples of trusts organized to be stewards of sites important to our national heritage are the Presidio Trust, which Congress authorized in 1996 to manage a former army base within Golden Gate National Recreation Area in San Francisco, and the Oklahoma City National Memorial Trust, which came into being in 1997 to establish and maintain a memorial at the site of the tragic bombing that occurred in April 1995. Neither of these examples, however, involved the management of a large, complex ecosystem in the context of multiple use. The Valles Caldera Trust was destined to be a singular undertaking.

(In a separate title, the act also specified new procedures for the disposition of surplus federal land, but these matters are not germane to the preserve or this framework.)

As chartered by the act, the Valles Caldera Trust is a wholly owned federal corporation, governed by a nine-member board of trustees, with broad authority to conduct its business independent of other agencies. Two of the trustees, the supervisor of Santa Fe National Forest and the superintendent of Bandelier National Monument,

serve in an ex officio capacity, which means that they become trustees by virtue of the jobs they hold. The president, in consultation with the New Mexico congressional delegation, appoints the other seven trustees, five of whom must be residents of New Mexico. The act specifies that the appointed trustees be selected from seven distinct areas of expertise or activity:

1. Domesticated livestock management, production, and marketing, including range management and livestock business management;
2. Management of game and nongame wildlife and fish populations, including hunting, fishing, and other recreational activities;
3. The sustainable management of forest lands for commodity and noncommodity purposes;
4. Nonprofit conservation activities concerned with the Forest Service;
5. Financial management, budget and program analysis, and small business operations;
6. The cultural and natural history of the region; and
7. State or local government activities in New Mexico, with expertise in the customs of the local area.

President Clinton announced his seven appointments on December 12, 2000, and all nine trustees were sworn in on January 10, 2001. They then commenced the discharge of their duties, which include

- Development of the Valles

- Caldera Trust as an institution;
- Development of programs and plans for the Valles Caldera National Preserve to achieve the goals set forth in the Valles Caldera Preservation Act; and
- Following formal assumption of management authority, which Secretary of Agriculture Ann Veneman delegated to the trust on August 2, 2002, direction and supervision of the day-to-day stewardship of the preserve.

#### **PURPOSES OF THE TRUST AND PRESERVE**

The Valles Caldera Preservation Act states that Congress established the preserve in order “to protect and preserve the scientific, scenic, geologic, watershed, fish, wildlife, historic, cultural, and recreational values of the preserve, and to provide for multiple use and sustained yield of renewable resources within the preserve, consistent with this title” (VCPA sec. 105[b]).

Consistent with this purpose, the act further instructs the trust to pursue six goals. None of the goals is asserted to be more important than the others, and no specific direction is given for resolving conflicts that may arise among them. A close reading of the act suggests that the authors of the legislation understood that they were charging the trust with a complex mission and that achieving an acceptable balance in



Sorting cattle at the pens near Cerro la Jara in the Valle Grande.

the pursuit of the six goals represented a significant challenge.

The goals are as follows:

1. Operation of the preserve as a working ranch, consistent with goals 2 through 4;
2. Protection and preservation of the scientific, scenic, geologic, watershed, fish, wildlife, historic, cultural, and recreational values of the preserve;
3. Multiple use and sustained yield of renewable resources within the preserve;
4. Public use of and access to the preserve for recreation;
5. Renewable resource utilization and management alternatives that, to the extent practicable—
  - a. Benefit local communities and small businesses;
  - b. Enhance coordination of management objectives with those on surrounding National Forest System land; and
  - c. Provide cost savings to the trust through the exchange of services, including, but not limited to, labor and maintenance of facilities for resources or services provided by the trust; and
6. Optimizing the generation of income based on existing market conditions, to the extent that it does not unreasonably diminish the long-term scenic and natural values of the area or the multiple use and sustained yield capability of the land.

The trust's goals, and particularly

the interrelationships among the goals, deserve elaboration.

**GOAL 1: WORKING RANCH**

The act's first goal is to continue what has been the dominant use of the caldera for the previous century: ranching. We define a "working ranch" as an operation that places its primary emphasis on stewardship of resources as the foundation for both ecological and economic sustainability. The goal of implementing a working ranch includes the other goals set forth in the act, such as protection and preservation of the values of the preserve, multiple use and sustained yield, recreation, and generation of income.

**GOAL 2: PROTECTION AND PRESERVATION**

Although the preserve is to be the scene of a wide range of activities, including grazing and multiple kinds of recreation, these activities must not diminish the values that inspired Congress to acquire the property on behalf of the American people. Clearly the act intends that the exceptional qualities of the preserve that make it deserving of designation as a "national preserve" should be passed on intact to succeeding generations.

**GOAL 3: MULTIPLE USE AND SUSTAINED YIELD**

The meaning of this phrase is fully

set forth in the Multiple Use and Sustained Yield Act of 1960, which is one of the principal laws governing use and management of the National Forest System. By referring to existing law, Congress wanted to ensure that the trust would attempt to achieve balance in its use of the resources of the preserve and that it would enjoy flexibility in its effort to do so, while allowing for adjustments to meet changing needs and conditions. This goal also calls for managing resources in a manner that does not impair the productivity of the land, and the management regime may not necessarily seek to generate the greatest possible financial return.

**GOAL 4: PUBLIC ACCESS AND RECREATION**

The act does not limit the kinds of recreation that the preserve might support, but its "Findings" suggests several activities that the land would support: "The Baca ranch's natural beauty and abundant resources, and its proximity to large municipal populations, could provide numerous recreational opportunities for hiking, fishing, camping, cross-country skiing, and hunting."

**GOAL 5: LOCAL BENEFITS, COORDINATION WITH MANAGEMENT OF SURROUNDING LAND, AND COST SAVINGS**

This goal suggests that the trust



should strive to conduct its business in a manner that is connected to the surrounding ecological and social landscape. It calls for the return of benefits to the communities that lie close to the preserve, coordination of management with surrounding National Forest land, and cooperative relationships with other agencies, private groups, or individuals through which the trust might realize economic savings.

**GOAL 6: OPTIMIZING INCOME**

This goal touches on one of the most frequently misunderstood provisions of the act. Coupled with language in section 106(e)(3)(a) that instructs the trust to strive to become financially self-sufficient within 15 years, this goal emphasizes that all actions of the trust be subjected to rigorous economic evaluation. It does not, however, mean that the generation of income should take precedence over other goals.



Optimization of income and attainment of financial self-sufficiency must be pursued in the context of all the goals that the act establishes for the trust and the preserve.

#### REPORTS TO CONGRESS

The act requires the trust to submit an annual report by January 15 of each year to the Secretary of Agriculture and the “Committees of Congress.” This report is to include discussion of operations, activities, and accomplishments for the prior year and goals for the year ahead. It should also provide “information on the status of ecological, cultural, and financial resources being managed by the trust and benefits provided by the preserve to local communities.”

On the subject of self-sufficiency, the act instructs the trust to submit a financial plan to Congress within two years after the first meeting of the board, which was January 23, 2001. The plan must include “a schedule of annual decreasing appropriated funds that will achieve, at a minimum, the financially self-sustained operation of the trust within 15 full fiscal years after the date of acquisition of the Baca ranch” (see Appendix B). This plan was submitted to Congress in November 2003.

The act also invites (but does not require) the trust to submit a report to the Secretary of Agriculture



Western wheat is a constituent of some grassland communities within the VCNP.

and the Committees of Congress on the rules and regulations that it finds “inappropriate, incompatible with [the purposes of the act], or unduly burdensome.”

The act authorizes the trust to receive appropriations from Congress for 15 full fiscal years following acquisition. If it has not achieved financial self-sufficiency after 14 fiscal years have gone by, the trust may request that authorization for appropriations be extended. During the eighteenth full fiscal year following acquisition, the trust is to recommend to the Secretary of Agriculture

whether it believes the life of the trust should be extended past its initial 20-year authorization.

In order to provide an outside view of the trust's performance, the act instructs the General Accounting Office to prepare a

pair of reports on how well the trust is meeting its obligations.

These reports are due three years and seven years, respectively, after the trust's assumption of management responsibility.